

## FOREIGN BROADCAST INFORMATION SERVICE AMERICAN EMBASSY LONDON, W. 1.

7 September 1954

|  | STAT |
|--|------|
| Chief, FBIS 2430 E Street, N.W. Washington 25, D. C. |      |
| Dear Dear  | STAT |

On 31 August John Campbell advised that he had just been informed by Reuters that an agreement had been entered into with Tass News Agency whereby Reuters was to have exclusive copyrights in the United Kingdom to the Tass Russian and English Hellschreiber services. He was further informed that Reuters might be willing to share these rights for a consideration. A sum of 110,000 per annum was mentioned.

Mr. Campbell referred the matter to J. B. Clark, who, it is understood, has also been in consultation with interested government departments. Meantime, it was proposed that BBC should immediately suspend coverage of these services. I was to be advised when the action was taken.

and I were called to London by The next day, 1 September, General Deane to meet the Director and it was not until the 2nd that I received word of the suspension of coverage which had gone into effect at midnight. Dispatch of my message was delayed for several hours pending clarification of the revised BBC schedule and seemed by that time to have lost some of its urgency. Nevertheless, I entirely agree it should have been directed to your attention.

STAT

Loss of the Hellschreiber services has been compensated for in large measure by maximization of Moscow voice and dictation press and English and French Morse, as described in LD 185 and LD 189. Results of this collateral exploitation appear to have been good so far.

Saltmarshe tells me that settlement of the copyright problem is not expected until Campbell's return from leave, that is, some time after 27 beptember. The unofficial opinion is that there is little likelihood that the BBC will consent to paying Reuters for the service, at least not any such figure as proposed. It is speculated that sufficient interest in the issue may be aroused in government quarters for invoking provisions of the Defense of the Realm Act.

You will be promptly informed of any further developments. STAT Sincerely, Chief, London Bureau